

Message Text

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AMEMBASSY AMMAN

AMEMBASSY ANKARA

US INTERESTS BAGHDAD

AMEMBASSY BEIRUT

AMEMBASSY CAIRO

AMEMBASSY DAMASCUS

AMEMBASSY DOHA

AMCONSUL DHAHRAN

AMCONSUL KARACHI

AMEMBASSY KHARTOUM

AMEMBASSY KUWAIT

AMCONSUL LAHORE

AMEMBASSY MANAMA

AMEMBASSY LONDON

AMEMBASSY MUSCAT

AMEMBASSY MOGADISCIO

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SUB: EXPORT OF SURPLUS PAKISTANI LABOR

REF: JIDDA 5869

1. SUMMARY. APPROXIMATELY 20 PERCENT OF PAKISTAN'S 20.2 MILLION WORK FORCE IS ESTIMATED TO BE UNEMPLOYED OR UNDEREMPLOYED. TENS OF THOUSANDS OF PAKISTANIS ARE PRESENTLY WORKING ABROAD AND THEIR REMITTANCES CONSTITUTE AS IMPORTANT CONTRIBUTION TO PAKISTAN'S BALANCE OF PAYMENTS. GOP PLACES EMIGRATION RESTRICTIONS ONLY ON MEDICAL DOCTORS. DESPITE THE SHORTAGE OF SOME SKILLED AND SEMI-SKILLED LABOR, THE GOP IS UNLIKELY TO IMPOSE SIGNIFICANT RESTRICTIONS ON EMIGRATION BECAUSE OF IMPORTANCE OF WORKER'S REMITTANCES TO BALANCE OF PAYMENTS AND BECAUSE OF HIGH UNEMPLOYMENT. END SUMMARY.

2. IBRD ESTIMATES PAKISTANI LABOR FORCE AS 20.2 MILLION. IT POINTS OUT THAT IN PAKISTAN THE DISTINCTION BETWEEN THE LABOR FORCE AND THE EMPLOYED IS NOT VERY HELPFUL, BOTH IN TERMS OF THE REPORTED DATA AND IN TERMS OF BASIC BEHAVIORAL PATTERNS. REPORTED UNEMPLOYMENT IS QUITE LOW, APPROXIMATELY 2 PERCENT OVERALL, WITH NO UPWARD TREND THROUGH 1971/72, THE LATEST YEAR FOR WHICH DATA ARE AVAILABLE. THIS PERCENTAGE IS SMALL RELATIVE TO UNCERTAINTIES IN ESTIMATING THE LABOR FORCE. IN TERMS OF BEHAVIOR, THE VAST MAJORITY OF WORKERS CANNOT AFFORD TO REMAIN OPENLY UNEMPLOYED. THEY MUST UNDERTAKE WHATEVER INCOME-EARNING ACTIVITY IS AVAILABLE. FREQUENTLY THIS IS VERY UNREMUNERATIVE SELF-EMPLOYMENT IN CASUAL OCCUPATIONS. IN SHORT, THE MAJOR UNDERUTILIZATION OF MANPOWER RESOURCES TAKES THE FORM OF UNDEREMPLOYMENT OR OF VERY LOW PRODUCTIVITY EMPLOYMENT. VARIOUS ESTIMATES PLACE THE EFFECTIVE COMBINED UNEMPLOYMENT AND UNDER-EMPLOYMENT RATE AT ABOUT 20 PERCENT, OR TEN TIMES REPORTED OPEN UNEMPLOYMENT.

3. CONGEN KARACHI REPORTS THAT ACCORDING TO OFFICERS OF THE FEDERAL BUREAU OF EMIGRATION, THERE IS A SURPLUS OF PAKISTANI LABOR IN ALMOST EVERY JOB CATEGORY. STARTING AT THE TOP, MOST GRADUATING PAKISTANI ENGINEERS AND DOCTORS CANNOT FIND IMMEDIATE EMPLOYMENT IN POSITIONS

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AND AT SALARIES THEY CONSIDER SUITABLE. FEW WILL CONSIDER EMPLOYMENT OUTSIDE THE MAJOR CITIES, PERHAPS THE MAJORITY PLAN TO EMIGRATE AT THE FIRST OPPORTUNITY. LANGUAGE DIFFICULTIES AND POOR ACADEMIC FACILITIES AND RECORDS KEEP ALL BUT THE BEST OUT OF THE US, THE UK AND CANADA. INCREASING NUMBERS, THE CONGEN WAS TOLD, ARE FINDING JOBS IN THE GULF, LIBYA, AND EAST AFRICA, WHERE PROFESSIONAL QUALIFICATIONS AND ENGLISH LANGUAGE ABILITY ARE LESS

RIGOROUSLY ASSESSED. SKILLED LABORERS, TECHNICAL AND CLERICAL EMPLOYEES (HEAVY MACHINERY OPERATORS, WELDERS, MECHANICS, NURSES, ACCOUNTANTS, HOUSEHOLD SERVANTS, MALE AND FEMALE SECRETARIES) ARE ALSO MUCH IN DEMAND IN THE GULF. FINALLY, IN THE LABOR-SHORT SHEIKDOMS, THERE IS A NEED FOR WHAT THE DIRECTOR GENERAL OF THE BUREAU OF EMIGRATION CALLS "STRONG ARMS AND BACKS", OF THESE PAKISTAN CAN SUPPLY ANY NUMBER.

4. WHILE COMPARISONS ARE TRICKY, CONGEN KARACHI UNDERSTANDS THAT WAGES OR SALARIES IN THE GULF AVERAGE THREE TO FIVE TIMES THOSE PAID IN KARACHI, DEPENDING ON SKILL CATEGORY AND EXPERIENCE. THIS WOULD CONSTITUTE A POWERFUL MAGNET EVEN FOR THOSE WITH SKILLS IN SHORT SUPPLY HERE. THE DIRECTOR GENERAL ESTIMATES THAT 15,000 EMIGRATE LEGALLY FROM PAKISTAN ANNUALLY, ABOUT HALF TO COUNTRIES ALONG THE GULF. HIS ESTIMATE MAY BE LOW.

5. THE GOP PLACES CONDITIONS AND RESTRICTIONS ON THE EMIGRATION OF MEMBERS OF ONLY ONE PROFESSION: MEDICAL DOCTORS. MEMBERS OF ANY OTHER PROFESSION CAN EMIGRATE FREELY. DOCTORS ARE REQUIRED TO GET A "NO OBJECTION TO LEAVE" CERTIFICATE FROM THEIR PROVINCIAL HEALTH DEPARTMENT. THIS CERTIFICATE, IF GRANTED, GIVES THEM PERMISSION TO LIVE OUTSIDE OF PAKISTAN FOR THREE YEARS. AT THE END OF THAT TIME, IF THE GOVERNMENT NEEDS THE SERVICES OF A PARTICULAR PERSON, IT MAY RECALL HIM OR HER FROM ABROAD. OTHERWISE, THE NO OBJECTION CERTIFICATE MAY BE EXTENDED. DOCTORS ARE ALSO REQUIRED TO HAVE A GUARANTOR SIGN A RS. 50,000 (5,000) BOND IN ORDER TO LEAVE. THIS IS NOT, AS ONE MIGHT SUSPECT, A GUARANTEE OF TIMELY RETURN, BUT INSTEAD A SURETY AGAINST REPATRIATION

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EXPENSES IF THE DOCTOR BECOMES DESTITUTE ABROAD (IN ITSELF, HARDLY LIKELY). IN PRACTICE, MOST DOCTORS COMPLY WITH THE REGULATIONS, AS THE GOP SEEMS TO BE FAIRLY LENIENT ABOUT GRANTING NO OBJECTION CERTIFICATES. SOME, HOWEVER, LEAVE WITH THE CERTIFICATES BY CLAIMING TO GO ON TEMPORARY VISITS (ESPECIALLY TO THE MIDDLE EAST COUNTRIES) AND CONCEALING THEIR ENTRY VISAS IN THEIR PASSPORTS.

6. SOME EMPLOYERS, BOTH IN KARACHI AND ISLAMABAD-RAWALPINDI AREA, REPORT THAT THERE IS A SHORTAGE OF SOME SKILLED AND SEMI-SKILLED EMPLOYEES DUE TO EMIGRATION, PRIMARILY TO THE GULF AREA. FOR EXAMPLE, THE MANAGER OF ESSO FERTILIZER REPORTS SERIOUS OPERATING PROBLEMS AT THEIR PAKISTANI PLANT DUE TO EMIGRATION.

7. DESPITE SOME LABOR SHORTAGES, GOP IS UNLIKELY TO PLACE SIGNIFICANT RESTRICTIONS ON EMIGRATION BECAUSE OF IMPORTANCE OF WORKER'S REMITTANCES TO BALANCE OF PAYMENTS AND BECAUSE EMIGRATION REDUCES PROBLEMS CAUSED BY UNEMPLOYMENT. GOP ESTIMATES WORKER'S REMITTANCES IN FY 72 AS DOLS92 MILLION, DOLS147 MILLION IN FY 73 AND EMBASSY ESTIMATES ARE DOLS200 MILLION IN FY 74. LARGEST SINGLE SOURCE WAS THE UK BUT REMITTANCES FROM THIS SOURCE ARE EXPECTED TO DROP AS UK IMMIGRATION AUTHORITIES ARE ISSUING FEW WORK PERMITS BECAUSE OF THEIR OWN UNEMPLOYMENT PROBLEMS. UK EMBASSY OFFICIAL TOLD EMBOFF THAT TOTAL WORK PERMITS ISSUED TO PAKISTANIS DURING CURRENT YEAR WILL PROBABLY BE NO MORE THAN 100 AND ONLY FOR SUCH EXOTIC SKILLS AS URDU TYPESETTER. ON OTHER HAND, INCREASED OIL REVENUES HAVE SPURRED PAKISTAN EMIGRATION TO GULF STATES.

8. CONGEN KARACHI REPORTS THAT IT HAS NO EVIDENCE THAT THE LOCAL SAUDI ARABIAN CONSULATE GENERAL, WHICH IS THROGGED DAILY WITH VISA APPLICANTS, IS DELAYING OR REFUSING TO ISSUE IMMIGRANT VISAS TO PAKISTANIS WITH SOLID JOB OFFERS IN SAUDI ARABIA. THE PROCESS MAY TAKE SEVERAL MONTHS, INCLUDING PAKISTANI FORMALITIES, WHICH DOES NOT APPEAR TO BE EXCESSIVE. LIKEWISE, EMBASSY ISLAMABAD IS NOT AWARE OF ANY SIGNIFICANT SAUDI DELAY IN ISSUANCE OR REFUSAL OF VISAS FOR PAKISTANIS.
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